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TAGS: [AORC](#) [KUNR](#) [UNGA](#)
SUBJECT: UN CAPITAL MASTER PLAN: JAPAN CANNOT PAY UNTIL
LATE 2007 AT THE EARLIEST

REF: USUN 1901

¶1. The Secretary-General's report on the Capital Master Plan (CMP) is not yet final, but it is expected that the General Assembly will be asked to approve a financing plan for the CMP construction phase that includes direct assessments over a five year period, with assessments beginning in January ¶2007. The construction phase, however, is not expected to begin until late 2007. Without further information regarding cash flow needs, it is unclear at this time whether a January 2007 assessment is necessary; USUN will seek further information from the Secretariat. As reported reftel, USUN has learned that due to the timing of the General Assembly's decision on financing for the Capital Master Plan, Japan may not be able to make its first payment for the construction phase until at least late 2007. USUN is also trying to ascertain whether other Member States (notably the EU and CANZ) would be able to make payments in the timeframe being requested, considering that a GA decision is not likely until December 2006. Regardless, it is expected that there will be debate in the Fifth Committee regarding the timing of payments of the U.S. and Japan, as the two largest contributors.

¶2. According to the Japanese Mission to the UN, the Japanese Government is currently in the planning stage for its fiscal year that begins April 1 and without a GA decision on financing is hard-pressed to include funding for the CMP construction phase in this budget. Therefore, it is likely that most, if not all, of the funding for the first year of payments would come from the supplemental budget to be approved later in 2007. However, the Mission noted that supplemental budgets are to fund only unpredictable items and since the assessment would be known by the time the supplemental budget process begins in February, this too may not be possible, meaning that Japan may not make its first payment for the CMP construction phase until spring 2008.
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